

## **Gulf Coast Protection District (GCPD) Update**

### **Policy and Strategy Committee meets with Industry Association Leaders**

In my board director role, I am also Chair of the GCPD Policy and Strategy Committee. On Tuesday, November 2<sup>nd</sup>, we met with industry association leaders for a roundtable discussion on the following primary topics:

1. How have operations and supply chains for industries you represent been affected by major hurricanes that have impacted the upper Texas Gulf Coast?
2. What other states may your members have facility operations and/or relationships with industry associations in those states?

Our guest participants included Hector Rivero (Texas Chemical Council), Tony Bennett and Wroe Jackson (Texas Association of Manufacturers), and Dana Moore (Texas Trucking Association). I was joined by GCPD Board President Mayor Michel Bechtel and committee members Michael VanDerSnick (LyondellBasell) and Roger Quiroga. GCPD Executive Director Nicole Sunstrum also participated. The following is a summary of our discussion.

#### *Storm Impacts on Supply Chain*

- Recovery is impeded when employees impacted by storm damage can't come to work on issues at the facilities. Supply chain is affected by slowed recovery due to difficulties with delivery of repair materials.
- Receiving raw materials can cause significant disruptions in supply chains.
- Facility shutdowns can last from several days to weeks, depending upon the severity of the storm sometimes months.
- Truck driver shortages become strained even further.
- Warehouse and distribution centers access can become clogged because of flooding or closures due to staffing shortages.
- Detention times for drivers (i.e. hours drivers are sitting waiting to accept or drop off new freight) become more problematic following storm and further complicate the driver shortage.

#### *Next Steps*

- Reach out to other industries dependent upon the chemical industry including: the automotive industry (major automotive states include Tennessee, Kentucky, Alabama, South Carolina); homebuilders with certain building materials; food & beverage; textile industries; and pulp and paper industries (southern and southeast states).
- Communicate with the trades in Texas to ask their assistance with reaching out to businesses/associations in other states.
- Act to gain support from national associations such as the National Association of Manufacturers, Business Roundtable, US Chamber of Commerce, National Retail Federation, American Chemistry Council, and the American Trucking Associations.
- Assist Senator John Cornyn with getting a letter of support signed by all members of the Texas Congressional delegation.

### **Outreach Discussions with Coastal States Organization (CSO) and American Beach and Shore Protection Association (ABSPA)**

City of Galveston Coastal Resources Manager and ASBPA Board member Brandon Hill was instrumental in setting up a virtual meeting for me to attend with Texas General Land Office Coastal Resources Deputy Director David Green who is also the State Representative to the Coastal States Organization. Also joining us was ABSPA lobbyist Julie Minerva, Tony Williams with the GLO, and GCPD Executive Director Nicole Sunstrum. The purpose of our discussion was to develop a dialogue with CSO and ASBPA to enlist their support for Congressional authorization of the Coastal Texas Study Recommended Plan Chief's Report as part of the Water Resources Development Act (WRDA) bill Congress will consider in 2022. Senators have been asked to submit WRDA project priorities to Senate Environment and Public Works Committee Chairman Thomas Carper (D-DE) by mid-December. There are early indications the House and Senate may seek to act on their respective bills by early summer of 2022 and a final bill adopted by late September. We are working to arrange a meeting CSO leaders in the next few weeks that could involve a presentation/discussion led by US Army Corps of Engineers and Tony Williams with GLO. We to arrange similar discussions with ABSPA.

### **Meeting with the Park Board Beach Maintenance Advisory Committee**

I met with the Park Board Beach Maintenance Advisory Committee to update them on the creation of the GCPD, projects, and legislative activity. I discussed the GCPD role with the Sabine to Galveston Bay (S2G) projects. The S2G Study was approved in 2017 and funded by Congress as part of the Bipartisan Budget Act in 2018. GCPD will be the non-federal sponsor for the Orange County S2G projects for a new system of levees, pumps and gates. I discussed the timeframe for Congressional consideration of the WRDA bill and the Coastal Texas Study signed Chief's Report (also discussed above) and emphasized the importance of authorization as critical step to allow for additional funding to advance the project to the next phase – Preliminary Engineering and Design. As a feasible plan (roughly 30 percent designed) the project requires more sophisticated data analysis and engineering design work that will be dependent upon Congressional authorization and future appropriations. The GCPD is hopeful the Park Board will place the Coastal Texas Study Chief's Report authorization as high priority on their federal legislative agenda for 2022.

## **Austin Update**

### **Texas Comptroller of Public Accounts – Fiscal Notes Special Edition: Winter Storm Uri 2021**

[Fiscal Notes](#) explores Winter Storm Uri eight months after it blanketed Texas. This special edition looks at the storm's cost to the state and the legislation aimed at preventing future disruptions.

### **Texas Procurement Law Update**

Texas Municipal League has published an updated "[Municipal Procurement Made Easy](#)." The publication includes the following procurement bills passed during the 2021 regular session:

- **H.B. 692 – Construction Contract Retainage.** Among many other things, it provides that: (1) if the total value of a public works contract is less than \$5 million, a governmental entity may not withhold retainage in an amount that exceeds 10 percent of the contract price; and (2) if the total value of a public works contract is \$5 million or more, a governmental entity may not withhold

retainage in an amount that exceeds five percent of the contract price. Those limitations also apply to the rate of retainage for any item in a bid schedule or schedule of values for the project, including materials and equipment delivered on site to be installed.

- **S.B. 13 – Anti-Boycott Against Energy Companies.** Prohibits a state agency or political subdivision from entering into a qualifying contract with a value of \$100,000 or more for goods and services unless the contract contains a written verification from the contracted company that it does not and will not during the contract term boycott energy companies. That prohibition does not apply to a governmental entity that determines that the prohibition is inconsistent with its constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.
- **S.B. 19 – Anti-Boycott Against Firearms entities or trade associations.** Prohibits a state agency or political subdivision from entering into an applicable contract for the purchase of goods or services that has a value of at least \$100,000 unless the contract contains a written verification from the contracted company that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against such an entity or association during the contract term. The bill exempts certain contracts from that prohibition.
- **S.B. 2116 – Lone Star Infrastructure Protection Act.** Prohibits a business entity or a governmental entity from entering into an agreement relating to a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility in Texas with a company that grants the company direct or remote access to or control of such critical infrastructure except for product warranty and support purposes if the company is headquartered in or owned or controlled by citizens of China, Iran, North Korea, Russia, or another country that is designated by the governor as a threat to critical infrastructure or is owned or controlled by a company or other entity that is owned or controlled by citizens of or the government of any such country.

## Washington Update

### FEMA Hosts Public Meetings for Comment about Minimum Floodplain Management Standards

FEMA will conduct two 90-minute virtual public meetings to gather public feedback on the National Flood Insurance Program. The meeting will focus on the program's floodplain management standards for land management and use and an assessment of the program's impact on threatened and endangered species and their habitats.

Initially published in the Federal Register on [Oct. 12](#), this request of information is to gather comments on opportunities to update the program's minimum floodplain management standards to help communities become safer, stronger and more resilient. It also seeks input on minimum floodplain management standards that will promote conservation of threatened and endangered species and their habitats consistent with the [Endangered Species Act, Section 7\(a\)\(1\)](#).

Each meeting is open to the public and will cover the same content. Participants must register in advance and will be confirmed on a first-come, first-served basis to provide a verbal comment. Registration is open for the following public meetings:

- The first public meeting was held on Thursday, November 4<sup>th</sup>. However, the [second public meeting](#) will be held from 2:30 – 4 p.m. Eastern Time on Monday, Nov. 15. Visit this [webpage](#) to register.

On the registration page, registrants can indicate if they have an interest in providing a three-minute verbal comment during a meeting.

#### *Additional Information About the Request for Information*

The type of feedback that is most useful to the agency includes feedback that:

- Identifies opportunities for the agency to improve the minimum floodplain management standards for land management and use.
- Identifies specific program components that promote conservation of threatened and endangered species and their habitats.
- Refers to specific barriers to community participation.
- Aligns the program with the improved understanding of flood risk and flood risk reduction approaches.
- Identifies better incentives for communities and policyholders, particularly for Endangered Species Act-listed species and critical habitats.
- Offers actionable data.
- Specifies viable alternatives to existing approaches that meet statutory obligations.

In addition to providing verbal comments at the public meetings, any interested person can submit written comments to the Federal Register notice. Written comments can be submitted through the [Federal eRulemaking Portal](#) using Docket ID: [FEMA-2021-2024](#). Click on the “Comment” button and complete the form. **The comment period closes on Dec. 13.**

### **National Flood Insurance Program Reauthorization Update**

The continuing resolution currently keeping the federal government is operating and the existing NFIP short-term reauthorization both expire December 3<sup>rd</sup>. According to media reports, chairs and ranking members of the House and Senate Appropriations Committees will meet this week to discuss options for a full fiscal year 2022 spending plan. Differences remain on both policy riders and overall spending amounts, including parity between defense and non-defense spending. Consequently, it appears it will be necessary for Congress to approve another short-term NFIP authorization and continuing resolution to keep the federal government operating until a budget agreement is reached.

Meanwhile, S. 3128, [National Flood Insurance Program Reauthorization and Reform Act](#) was introduced by Senator Robert Menendez (D-NJ) along with cosponsor Senators Bill Cassidy (R-LA), John Kennedy (R-LA), Cory Booker (D-NJ), Cindy Hyde-Smith (R-MS), Marco Rubio (R-FL), Roger Wicker (R-MS), Chris Van Hollen (D-MD), and Kristen Gillibrand (D-NY). You can view the section-by-section [summary here](#).

The bill contains several provisions that have been advocated for by our Coalition for Sustainable Flood Insurance (CSFI), including:

- Five-year authorization of the NFIP
- Guardrails on Risk Rating 2.0 (e.g. premium increases capped at 9% per year)
- Freezing interest payments on the NFIP debt and reinvesting savings towards mitigation efforts

- Increased Cost of Compliance (ICC) Coverage to better reflect costs of rebuilding and implementing mitigation projects

The bill was referred to the Senate Banking, Housing, and Urban Affairs.

### **Senate Confirms New US Army Corps of Engineers Assistant Secretary for Civil Works**

the Senate to confirm Michael Connor as Assistant Secretary of the Army for Civil Works by a vote of 92-5. Senator Tom Carper (D-Del), Chairman of the Senate Committee on Environment and Public Works (EPW) made the following comments: “The Corps of Engineers Civil Works program is the nation’s primary provider of water resources infrastructure, and with the increasing impacts of climate change, having someone of Mr. Connor’s caliber at the Corps is critical,” said Carper. “Mr. Connor will lead efforts that dramatically impact every corner of this country—from coastal to inland to small, disadvantaged, rural, and tribal communities. It is critically important we get Mr. Connor confirmed now.” Earlier this year, [Connor came before the EPW Committee](#) to field questions from Senators. His nomination was later discharged from the Committee to be considered by the full Senate.

### **House Passes the Preliminary Damage Assessment Improvement Act of 2021, HR 3709**

Introduced by Rep. John Katko (R-NY), the bill directs the Federal Emergency Management Agency (FEMA) to (1) submit to Congress a report describing the preliminary damage assessment process, as carried out by FEMA in the five years before this bill's enactment; and (2) convene an advisory panel to assist FEMA in improving critical components of that process. Through the preliminary damage assessment (PDA) process, FEMA personnel validates information gathered by state and local authorities regarding the impact and magnitude of a natural disaster. Despite the importance of the PDA process to accurately and efficiently deliver federal disaster relief to communities impacted by flooding and other disasters, emergency management personnel nationwide continue to face significant challenges in coordinating with FEMA. State and local officials must navigate conflicting guidance, duplicative paperwork requirements, incompatible technological platforms, and inconsistent training when submitting their findings to FEMA. These obstacles result in unnecessary delays and inefficiencies. Specifically, the Preliminary Damage Assessment Improvement Act:

- Establishes an advisory panel of state and local emergency personnel from all 10 FEMA regions to work with FEMA on enhancements to the PDA process.
- Implements standardized training for FEMA personnel to ensure PDAs are reviewed under consistent guidelines.
- Directs FEMA to provide comprehensive information regarding their PDA procedures, including their efforts to maintain communication with state and local officials in impacted communities throughout the disaster response process.

### **House Passes Hazard Eligibility and Local Projects (HELP) Act, HR 1917**

Introduced by Rep. Lizzie Fletcher (D-TX), the bill makes an entity seeking assistance under a hazard mitigation assistance program eligible to receive such assistance for certain projects already in progress. Under current law, local and state agencies applying for federal funds to begin recovery projects must wait until they receive approval from the Federal Emergency Management Agency (FEMA) before purchasing land or starting construction on a

project. Purchasing land or starting construction without approval disqualifies the project from receiving federal assistance. The *HELP Act* allows certain eligible disaster mitigation projects to begin without the risk of losing potential federal funds. It represents a change to the one-size-fits-all approach to reviewing projects that frequently delays mitigation work. Congressman Michael McCaul (TX-10) is an original co-sponsor of the legislation. Senator Thom Tillis (R-NC) introduced the identical companion bill in the Senate.